



the department for Enterprise

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The Rt. Hon. Peter Lilley MP
Secretary of State for Trade and Industry

CONFIDENTIAL

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Draw Secretary of State

WORKING GROUP ON RUNWAY CAPACITY TO SERVE THE SOUTH EAST

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I have seen Geoffrey Howe's letter to you of 19 October about our attitude towards the possibility of a second runway at Gatwick in the context of the working group which you plan to set up to consider the CAA's recent advice.

The conclusion about Gatwick in the 1985 White Paper must be seen in the context of the points made in support of it - namely that the runway would be North of the existing one, that Charlwood would be destroyed and that there would be air traffic control constraints on the use of the second runway. We should not, therefore, be saying, in advance of study of the problems by the working party, that arguments which were found compelling against an earlier proposal will certainly be found compelling in a difference context.

In his letter Geoffrey took issue with my earlier point that the competition arguments could point to a second runway at Gatwick. I am not seeking to prejudge the issue. But the fact is that the CAA report itself said that a second runway at Gatwick would be preferable in terms of airline competition to development at Heathrow. Any decision on a new runway in the South East is bound to be painful, and many considerations will need to be weighed. But we should not start out by excluding one of the main options.

In view of the obvious sensitivity of the matter I should be content if the terms of reference of the proposed group required them to "have regard" to the considerations which led to the 1985 decision.



Recycled Paper



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But we should be quite clear that as a result the group in their report could, and probably will, point to the difference between what was then envisaged and what the CAA had in mind in their recent advice. We should also be clear that the group should assess the Gatwick option - as others - fully and fairly.

I am copying this letter to the Prime Minister and Cabinet colleagues, and to Tim Renton and Bertie Denham, and to Sir Robin Butler.

Yours sincerely

Rosalind Cr

[approved by the Secretary of State
and signed in his absence]



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